GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1739
ANSWERED ON:04.08.2005
SUBSIDY SHARING FORMULA
Oram Shri Jual

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Ministry of Petroleum and Natural Gas has introduced a subsidy sharing formula for the oil companies;

(b) if so, the details thereof;

(c) the amount of compensation proposed to be paid to the oil marketing companies under the subsidy sharing formula; and

(d) the financial impact of the said formula on ONGC and other oil PSUs ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (c): Upstream and downstream oil companies have been sharing the burden of subsidy since 2003-04. For the quarter April-June`2005, it has been decided that the burden of subsidies would be shared by the upstream companies with the downstream companies as follows :

(Rs./Crores)

Upstream share		
ONGC	2876	
GAIL	153	
OIL	228	
Total		3257
Downstream Assistance		
IOC (including IBP)	1871	
BPC	701	
HPC	685	
Total		3257

(d) The Profit After Tax (PAT) for the Public Sector Oil PSU`s is as under :

(Rs. in Crores)

Name of the Company	1st quarter of 2004-05	1st quarter of 2005-06 (Prov.)
ONGC	2308	3318
OIL	183	332
GAIL	339	483
IOC	1472	(-)54
BPC	147	(-)431
HPC	247	(-)508
IBP	(-)9	(-)234